

103^D CONGRESS
1ST SESSION

H. R. 371

To amend the Federal Election Campaign Act of 1971 to limit the influence of nonparty multicandidate political committees in elections for Federal office, to amend the Internal Revenue Code of 1986 to provide for an income tax credit for contributions to candidates for the House of Representatives, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Ms. SNOWE introduced the following bill; which was referred jointly to the
Committees on House Administration and Ways and Means

A BILL

To amend the Federal Election Campaign Act of 1971 to limit the influence of nonparty multicandidate political committees in elections for Federal office, to amend the Internal Revenue Code of 1986 to provide for an income tax credit for contributions to candidates for the House of Representatives, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. REDUCTION IN LIMITATION AMOUNT APPLICA-**
2 **BLE TO NONPARTY MULTICANDIDATE POLIT-**
3 **ICAL COMMITTEE CONTRIBUTIONS IN ELEC-**
4 **TIONS FOR FEDERAL OFFICE.**

5 Section 315(a)(2)(A) of the Federal Election Cam-
6 paign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended
7 by inserting after “\$5,000” the following: “, except that,
8 in the case of a nonparty multicandidate political commit-
9 tee, the limitation under this subparagraph shall be
10 \$1,000”.

11 **SEC. 2. PROHIBITION OF NONPARTY MULTICANDIDATE PO-**
12 **LITICAL COMMITTEE BUNDLING OF CON-**
13 **TRIBUTIONS TO CANDIDATES.**

14 Section 315 of the Federal Election Campaign Act
15 of 1971 (2 U.S.C. 441a) is amended by adding at the end
16 the following new subsection:

17 “(i) No nonparty multicandidate political committee
18 may act as an intermediary or conduit with respect to a
19 contribution to a candidate for Federal office.”.

20 **SEC. 3. PROHIBITION OF LEADERSHIP COMMITTEES.**

21 Section 302 of the Federal Election Campaign Act
22 of 1971 (2 U.S.C. 432) is amended by adding at the end
23 the following new subsection:

24 “(j) A candidate for Federal office may not establish,
25 maintain, finance, or control a political committee, other
26 than the principal campaign committee of the candidate.”.

1 **SEC. 4. INCOME TAX CREDIT FOR CONTRIBUTIONS TO CAN-**
2 **DIDATES FOR THE HOUSE OF REPRESENTA-**
3 **TIVES.**

4 (a) IN GENERAL.—Subpart A of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to nonrefundable personal credits) is
7 amended by inserting before section 25 the following new
8 section:

9 **“SEC. 24. CONTRIBUTIONS TO CANDIDATES FOR THE**
10 **HOUSE OF REPRESENTATIVES.**

11 “(a) GENERAL RULE.—In the case of an individual,
12 there shall be allowed, subject to the limitations in sub-
13 section (b), as a credit against the tax imposed by this
14 chapter for the taxable year, an amount equal to all local
15 congressional political contributions for which payment is
16 made by the taxpayer within the taxable year.

17 “(b) LIMITATIONS.—

18 “(1) MAXIMUM CREDIT.—The credit allowed by
19 subsection (a) for a taxable year shall not exceed
20 \$100 (\$200 in the case of a joint return).

21 “(2) VERIFICATION.—A credit shall be allowed
22 by subsection (a) with respect to any local congres-
23 sional political contribution only if the contribution
24 is verified in the manner prescribed by the Secretary
25 in regulations.

26 “(c) DEFINITIONS.—For purposes of this section—

1 “(1) LOCAL CONGRESSIONAL POLITICAL CON-
2 TRIBUTION.—The term ‘local congressional political
3 contribution’ means a contribution or gift of money
4 to—

5 “(A) a local congressional candidate, or

6 “(B) a committee, association, or organiza-
7 tion (whether or not incorporated) organized
8 and operated exclusively for the purpose of in-
9 fluencing (or attempting to influence) the nomi-
10 nation or election of a local congressional can-
11 didate,

12 for use to further the candidacy of such candidate
13 for nomination or election to the House of Rep-
14 resentatives.

15 “(2) LOCAL CONGRESSIONAL CANDIDATE.—The
16 term ‘local congressional candidate’ means a can-
17 didate in any primary, general, or special election for
18 nomination or election to the House of Representa-
19 tives for the congressional district in which the prin-
20 cipal residence of the taxpayer is located.

21 “(3) CANDIDATE.—The term ‘candidate’ means
22 an individual who—

23 “(A) publicly announces before the close of
24 the calendar year following the calendar year in
25 which the contribution or gift is made that the

1 individual is a candidate for nomination or elec-
 2 tion to the House of Representatives, and

3 “(B) meets the qualification prescribed by
 4 law to hold such office.

5 “(4) PRINCIPAL RESIDENCE.—The term ‘prin-
 6 cipal residence’ has the same meaning as when used
 7 in section 1034.

8 “(d) CROSS REFERENCE.—

**“For disallowance of credits to estates and trusts,
 see section 642(j).”**

9 (b) CONFORMING AMENDMENTS.—

10 (1) Section 642 of such Code (relating to spe-
 11 cial rules for credits and deductions) is amended by
 12 adding at the end the following new subsection:

13 “(j) POLITICAL CONTRIBUTIONS.—An estate or trust
 14 shall not be allowed the credit for contributions to can-
 15 didates for the House of Representatives provided by sec-
 16 tion 24.”

17 (2) The table of sections for subpart A of part
 18 IV of subchapter A of chapter 1 of such Code is
 19 amended by inserting before the item relating to sec-
 20 tion 25 the following new item.

“Sec. 24. Contributions to candidates for the House of Represent-
 atives.”

21 (c) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply to amounts paid after the date of
 23 the enactment of this Act.

1 **SEC. 5. REPEAL OF CERTAIN CHANGES IN THE MINIMUM**
2 **TAX RELATING TO DEPLETION AND INTANGI-**
3 **BLE DRILLING COSTS.**

4 (a) RESTORATION OF MINIMUM TAX PREFERENCE
5 FOR DEPLETION AND INTANGIBLE DRILLING COSTS FOR
6 INDEPENDENT PRODUCERS AND ROYALTY OWNERS.—
7 Section 1915 of the Energy Policy Act of 1992 (and the
8 amendments made by such section) are hereby repealed,
9 and the Internal Revenue Code of 1986 shall be applied
10 and administered as if such section (and amendments)
11 had never been enacted.

12 (b) REPEAL OF MINIMUM TAX DEDUCTION BASED
13 ON INTANGIBLE DRILLING COST PREFERENCE.—

14 (1) IN GENERAL.—Subparagraph (A) of section
15 56(h)(1) of such Code (relating to adjustment based
16 on energy preferences), as in effect after the applica-
17 tion of subsection (a), is amended to read as follows:

18 “(A) 50 percent of the marginal produc-
19 tion depletion preference, or”.

20 (2) CONFORMING AMENDMENTS.—

21 (A) Subsection (h) of section 56 of such
22 Code, as so in effect, is amended by striking
23 paragraphs (3), (4), and (6) and by redesignat-
24 ing paragraphs (5), (7), and (8) as paragraphs
25 (3), (4) and (5), respectively.

1 (B) Paragraph (4) of section 56(h) of such
2 Code (as so redesignated by subparagraph (A))
3 is amended to read as follows:

4 “(4) SPECIAL RULE.—For purposes of para-
5 graphs (1)(B) and (3), alternative minimum taxable
6 income shall be determined without regard to the de-
7 duction allowable under this subsection and the al-
8 ternative tax net operating deduction under sub-
9 section (a)(4).”

10 (C) Clause (ii) of section 59(a)(2)(A) of
11 such Code is amended by striking “alternative
12 tax energy preference”.

13 (D) Paragraph (1) of section 59A(b) of
14 such Code is amended by striking “alternative
15 tax energy preference”.

16 (3) EFFECTIVE DATE.—The amendments made
17 by this subsection shall apply to amounts paid or in-
18 curred after the date of the enactment of this Act.

19 **SEC. 6. TECHNICAL AMENDMENTS.**

20 (a) TRANSFER OF DEFINITION.—Section 301 of the
21 Federal Election Campaign Act of 1971 (2 U.S.C. 431)
22 is amended by adding at the end the following new para-
23 graph:

24 “(20) The term ‘multicandidate political committee’
25 means a political committee which has been registered

1 under section 303 for a period of not less than 6 months,
2 which has received contributions from more than 50 per-
3 sons, and, except for any State political party organiza-
4 tion, has made contributions to 5 or more candidates for
5 Federal office.”.

6 (b) CONFORMING AMENDMENT.—Section 315(a)(4)
7 of the Federal Election Campaign Act of 1971 (2 U.S.C.
8 441a(a)(4)) is amended by striking out the second
9 sentence.

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